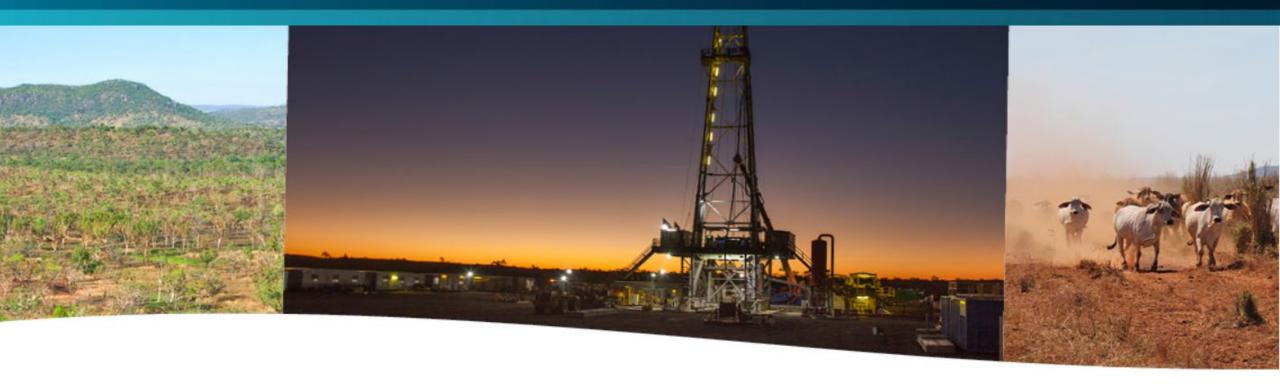
Developing onshore gas in the NT – post Inquiry

Hydraulic Fracturing in the Northern Territory



Alister Trier Chief Executive

Department of Primary Industry and Resources



Background

- Government accepted all 135 of the Inquiry's recommendations in April 2018.
- Implementation plan released 17 July 2018.
- Teams established in key Departments:
 - **Dept of the Chief Minister**: Hydraulic Fracturing Inquiry Implementation Team Hayley Richards
 - Dept of Primary Industry and Resources: Onshore Gas Development –
 James Pratt
 - Dept of Environment and Natural Resources: Onshore Gas Reform –
 Christopher Shaw

Background

Breakdown of 135 Recommendations by each Department

- Primary Industry and Resources 55
- Chief Minister 35
- Environment and Natural Resources 23
- Trade Business and Innovation 12
- Infrastructure Planning and Logistics 6
- Treasury and Finance 3
- Aboriginal Areas Protection Authority 1



Background

135 Recommendations = Change.

- Change to the way government and industry has operated for petroleum exploration/production in the NT.
- Change in response to community expectations and the Inquiry.
 - Legislation
 - Regulations
 - Policy

- Planning
- Consultation
- Procurement
- Environmental, Social and Cultural assessment



 Table 16.1 details 31 recommendations that must be completed prior to environment management plans (drilling of petroleum wells and hydraulic fracturing) could be considered.

 These have been the concerted focus from June 2018 through to now by the three implementation groups.



Amending legislation

- Petroleum Act Judicial Review and Fit and Proper Person Test.
 Being debated in Parliament today
- Petroleum (Environment) Regulations. Amended Dec 2018.
 - publishing EMPs for drilling/fracking for public comment
 - Considering cumulative impacts
 - Publishing reportable and recordable incidents
 - Publishing hydraulic fracturing fluid composition, flowback and produced water

Amending legislation

Water Act - changes completed Nov 2018

 Removed exemption for mining and petroleum activities - they now require water licences and permits to take water.

Environment Protection Authority Act - Changes completed Nov 2018

- enable appointment of two new members of the EPA Board to have expertise for assessing petroleum matters and to provide advice to Minister.
- enable EPA Board to provide advice to any Minister about any proposed plan, program or other measure for managing the environment.

Separation of responsibilities

- Establishing a separation between the Department responsible for regulating environmental impacts and risks and the Department responsible for promoting the industry.
- Transfer of the Administrative Arrangement Orders to give the Minister for Environment the authority to make decisions under the *Petroleum (Environment) Regulations* and the Environmental Offences under the *Petroleum Act*.



- Baseline environmental monitoring (methane, water and weeds).
- Developing Codes of Practice for Well Operations, Surface Activities, Wastewater Management and Methane Emissions.
- Compliance and Monitoring Strategy.
- Reserved Blocks (no go zones).



What's next....

Stage 3 Recommendations - Key priorities 2019

- Statutory Land Access Agreements
- SREBA Development (social, cultural, enviro and economic)
- Cost recovery model
- Local Business Development and Employment
 - Territory Benefit Policy and preparing business for industry.
 - Engagement with Universities for research and skills training
- Planning for industry: wastewater treatment facilities, service hub facilities, transport corridors, pipelines etc.



What's next....

- Industry prepares Environment Management Plans expected to be lodged within the next 4 weeks.
- On ground activity recommences in 2019 (drilling, hydraulic fracturing, seismic survey).
- Balance of recommendations (approx. 90) to be completed by 2021prior to production licences being granted.

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